oils (which are comparatively heavier and have a higher sulpher content) would normally have less distillates and more residue and would require a high capacity of specifically designed residue upgrading facilities. Thus, it may not be possible to check the increase in the cost of diesel and petrol through the use of heavy high sulpher crude oils.

(c) The percentage of high sulpher crude processed by Indian Refineries during the first quarter (April-June) 2005-06 was 61.6%.

(d) There are certain refineries in the world which use 100% high sulpher crude.

**Production of petrol from coal**

†2911. SHRI VEDPRAKASH P. GOYAL:
SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAVI SHANKAR PRASAD:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have prepared any scheme for making petrol from coal;

(b) if so, the details thereof;

(c) whether any guidelines have been issued for preparing a viability report in this regard;

(d) if so, the details thereof;

(e) to what extent the oil dependence of the country is likely to be decreased after production of petrol from coal; and

(f) to what extent foreign currency be saved as a result thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (d) Government is actively encouraging coal-oil-co-processing technology. Oil India Limited (OIL) have taken up a study for Coal-Only-Processing with certain modifications to adopt Catalytic Two Stage Liquefaction (CTSL) technology with the help of M/s AXENS, NA, USA. The test run has been successfully completed with very encouraging results: coal conversion is 99% and liquid yield

†Original notice of the question was received in Hindi.

is 78%. A feasibility study report on such Coal-Only-Processing has also been received from M/s AXENS. A site-specific feasibility study on CTSL is planned to be carried out by Engineers India Limited with the help of M/s AXENS, NA, USA for which a Letter of Intent (LOI) was issued on 20.6.2005.

Further, OIL have initiated another feasibility study on the Coal Liquefaction Process using the technology of M/s Hydrocarbon Technologies Inc. (HTI) of USA. After completion of this study, Government will be in a position to evaluate the most suitable technology, using the coal available in the North-East Region.

(e) and (f) Since the technology is at a developing stage, it is too early to comment on the feasibility of the reduction of oil dependence through production of petrol from coal.

**Review of Oil Exploration Policy**

2912. DR. T. SUBBARAMI REDDY:
SHRIMATI JAMANA DEVI BARUPAL:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have decided to take a re-look at its present oil and gas exploration policy;

(b) whether offering blocks under various rounds of the New Exploration and Licensing Policy has not attracted sufficient foreign capital;

(c) if so, what are the other main reasons for not introducing the exploration policy as processed by the Ministry; and

(d) what are the other steps he is considering to take in this regard?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) The Ministry, held a meeting of stakeholders at a CEOs conclave under the auspices of Petrofed on 7.7.2005 where the issue of modifying NELP after comparing the position in other countries was discussed. The Ministry has asked Petrofed to undertake a study on suggested improvements to be effected in NELP after taking the views of industry members.